

Hancock County Council Minutes  
October 13,2010

The County Council of Hancock County, Indiana, met in the Commissioner Court in the Hancock County Courthouse Annex, Greenfield, Indiana, on the 13<sup>th</sup> day of October 2010 at the hour of 8:30 A.M. in accordance with the rules of the Council. Council members present were William Bolander, Rosalie Richardson, Dick Pasco, Brian Kirkwood and Jim Shelby. Also, present were Auditor, Robin D. Lowder, Deputy Ginny Martin, Ray Richardson, County Attorney. Tom Roney, Jack Leonard was not in attendance.

President Bill Bolander called the meeting to order.

**In the Matter of LOIT)**

Councilman Shelby addressed the public that was present in the meeting on the back-round of LOIT and the reasons it was going to be considered by Council:

- The shifting of tax loads by the State Legislators from property tax to income tax.
- The State lowered real estate taxes but wasn't offset with any type of income tax which give counties the ability to offset.
- Council has looked at efficiencies and have cut costs while keeping the pressure on county government for the past four years. Which the Council has accomplished. However, it still has not offset all the property tax reductions.
- Ten (10) positions within county government have been eliminated.
- Programs have become more efficient. Council anticipated another year before anything action needed to be taken.

- For 2011 the gap was expected to be approximately \$500,000 moving into the budget season. But when the circuit breaker numbers came in from the State the gap was \$1,000,000 in County General operating budget alone. More discussion took place to see if we could even handle this amount with savings and further cuts.
- Our CAGIT is also being cut by the State by 15% leaving an even larger gap of \$2,000,000.
- LOIT was set up for counties to use to offset the lower property tax. No new spending but filling our gap within our budget. No pay increases for employees.
- LOIT tax as written that county would have to implement an income tax to offset property tax.
  - Step 1. All income tax will offset property tax with no net or gain to taxpayers.
  - Step 2. To taxing units, no increase or decrease which is a wash.
  - Step 3. Public Safety (used for general purposes also) is the third step.

Council is considering step 1 and step 2 and implementing some income tax to fill our budget deficit.

Councilwoman Richardson advised public that Council is in agreement but see different possibilities on how LOIT should be implemented. We have to do something. And in order to do any of the steps 1, 2 or 3 we have to implement .25. Homestead owners will benefit because they are a concentrated group. They have the lowest 1% cap. Also, an option was a Levy freeze which is for any new growth; you would substitute income tax for property tax growth. Councilwoman Richardson states she prefers to use some of our Rainy Day Fund money maybe up to \$700,000, not depleting it but use some of it in lieu of some other tax. Council doesn't really want to do this.

Councilman Bill Bolander, agrees with the Auditor on the Rainy Day Fund and not depleting this fund. There will be no way to build the fund once it's depleted. Once it is gone it's gone.

Councilman Shelby reiterated that the deficit of \$2,000,000, is due half to the circuit breakers which are structural and permanent. The other \$1,000,000 is due to income taxes that is economy related and hopefully will come back. On the Public Safety option we could do it at .15 which would generate for 2011 \$1.2 million. We have a \$2 million deficit which the difference would be used out of Food & Beverage and Rainy Day. Our Rainy Day is our working capital and we do not want to drain it down. Then in 2012 we go to the .25 with a sunset for 4 years and to look at income taxes at that time and if income taxes have come back we could repel that portion.

Councilwoman Richardson addressed Hoots & Hollers regarding cuts from Sheriff Department and E911 Center. The problems are not related to a few departments. The revenue is down and that finances our E911 Center. Even other departments are not getting enough money to provide the services needed.

Councilman Shelby proposed that if LOIT for Public Safety is passed, that the municipalities who receive their portion take that amount and contribute half of the tax to support the E911 Center with the exception of City of Greenfield since they already pay \$380,000.

Councilman Kirkwood states to the Council and is in favor of passing the LOIT tax. Council is charged with running the County and things are in dire straits with loss of jobs, loss of homes etc. Departments have worked diligently to reduce their spending.

Attorney Ray Richardson advised Council that if the freezes levy option is considered that this action is not able to be accomplished today. The DLGF is not clear on all the issues with the freeze. Councilman Shelby requested Attorney Ray Richardson to prepare an Ordinance regarding the levy freeze.

Councilman Pasco states he has a problem with the freeze. Also stated that Council can't make a decision about anything without cities and towns having a "windfall" fall in their lap. With the E911 Center being a major financial issue, why doesn't all cities and towns help support E911 Center since they all benefit from the services.

Councilman Bolander asked for public opinion:

- Concerned citizen wants Council to use the Rainy Day Fund, and requesting Council to look at the departments and allow their need instead of their wants.
- Wayne Stagger, concerned about the public and in rewriting an Ordinance, he feels it should be written what is best for the “people”.
- John Priorie, LOIT doesn’t work in a shrinking economy and things are not getting better.
- Don Haulk-against the LOIT

Councilman Bolander introduced Ordinance No. 2010-10B Establishing a Rate for Property Tax Relief at .25%.

Councilman Bolander introduced Ordinance No. 2010-10C Establishing a Rate for Public Safety at .25%.

Councilman Bolander made a motion to adopt a Resolution to allow Ordinance No. 2010-10B Property Tax Relief LOIT to be adopted on the same day of introduction, seconded by Councilman Kirkwood. Roll-call vote 5-0

Aye

Nay

Dick Pasco  
Brian Kirkwood  
Jim Shelby  
Rosalie Richardson  
Bill Bolander

Councilman Bolander made a motion to adopt Ordinance No. 2010-10B Property Tax Relief LOIT. Roll-call vote 5-0

Aye

Nay

Dick Pasco  
Brian Kirkwood  
Jim Shelby  
Rosalie Richardson  
Bill Bolander

Councilman Shelby made a motion to amend Ordinance No. 2010-10C Public Safety LOIT option to add a sunset provision for 4 years and to amend the tax rate for 2011 tax year to .15% and to end on 9-30-2014, seconded by Councilwoman Richardson. Roll-call vote 4-1 motion passes.

Aye  
Dick Pasco  
Brian Kirkwood  
Jim Shelby  
Rosalie Richardson

Nay  
Bill Bolander

Councilman Kirkwood made a motion to authorize a Resolution to allow Ordinance No. 2010-10C Public Safety LOIT to be adopted on the same day of introduction, seconded by Councilman Pasco. Vote 5-0

Councilwoman Richardson made a motion to adopt Ordinance No. 2010-10C Public Safety as amended. Roll-call vote 5-0

Aye  
Dick Pasco  
Jim Shelby  
Rosalie Richardson  
Bill Bolander  
Brian Kirkwood

Nay

Councilman Shelby proposed a Resolution to send to all municipalities beginning 2011, their participation in financing the E911 Center a minimum of 50% of the LOIT income from Ordinance No. 2010-10C. The only exception to this Resolution is the City of Greenfield due to the fact that they currently contribute financial support to the E911 Center, seconded by Councilman Kirkwood. Vote 5-0

**In the Matter of Transfers)**

Weights & Measures- Dick Simon

- \$25.00 from line 0101-308-30-0021 Postage to 0101-308-20-0011 Office Supplies
- \$200.00 from line 0101-308-30-0061 Equipment Maintenance to 0101-308-20-0011 Office Supplies

Councilwoman Richardson made a motion to approve the budget transfer, seconded by Councilman Shelby. Vote 5-0

Health Department-Crystal Baker

- \$700.00 from 0799-000-10-0022 Overtime/Nurse to 0800-000-3000 Public Health Emergency H1N1 Federal Grant. (Grant was overspent in 0800 which caused a negative cash balance)

Councilman Kirkwood made a motion to approve the transfer of cash, seconded by Councilman Pasco. Vote 5-0

**In the Matter of Community Corrections)**

Pat Powers appeared before Council requesting to additionally appropriate fund 0505 Drug Court to take care of the negative budget line items.

0505-000-10-0011 Drug Court Director	\$2,375
0505-000-10-0024 FICA	\$171
0505-000-10-0026 PERF	\$161
0505-000-20-0024 Drug Screens	\$505
0505-000-30-0067 Contract Services	\$297
Total appropriation: \$3,509	

Councilman Kirkwood made a motion to approve the appropriation, seconded by Councilwoman Richardson. Roll call vote 5-0 motion passed.

Aye	Nay
Dick Pasco	
Jim Shelby	
Rosalie Richardson	
Bill Bolander	
Brian Kirkwood	

Request to appropriate as follows: expires 12-31-2010

From	To	Amount
0504-000-10-11 DC Coord	0504-000-40-0041 Office Furn & Equip	\$5,437.50
0504-000-10-0024 FICA	0504-000-40-0041 Office Furn & Equip	\$415.98
0504-000-10-0026 PERF	0504-000-40-0041 Office Furn & Equip	\$353.46
0504-000-30-0032 Printing	0504-000-40-0041 Office Furn & Equip	\$423.49

Councilman Kirkwood made a motion to approve the budget transfer, seconded by Councilwoman Richardson. Vote 5-0

Councilwoman Richardson asked Pat Powers if there were any other accounts in the negative in any other funds?

Answer: "no"

Councilman Shelby asked Pat Powers, Director Community Corrections if he is in total compliance with State Board of Accounts directives and the Auditor and Treasurer request regarding the handling of the fee accounting and grant money for your department?

Pat Powers advised,

- Money Market Account- Needs transferred back to Auditor for Treasurer to invest.
- 3 CD's
- \$293,434.00 total
- When CD matured all the money will come to Auditor Office
- In the way the fees are collected we will not be in compliant until the CD's all have matured.
- Difference between April 2010 to September 2010 is the \$293,434 money market.

Ray Richardson, County Attorney interjected and stated that State Board of Accounts in the meeting with Pat Powers, and Alan Weber explicitly stated over 3 months ago that Pat was to turn over any CD's when they mature. And immediately turn over to the Auditor any loose money from Money Market and checking account.

Pat advised that "no" the money has not been moved. Ray advised Pat that the \$193,000 is to be turned over now. He agreed to pay May and June now and give reports only from July to September to Auditor so they know what to expect.

Per County Attorney, Ray Richardson

- Transfer money market and checking account to pay May and June tomorrow.
- October 23, 2010 CD is to be released to Treasurer 10 days from today.
- November 22 CD is due and to be released to Treasurer
- All of the money for fees be transferred and current by January 1, 2011.

Councilman Pasco left the Council meeting.

**In the Matter of Tax Abatement)**

Dennis Maloy appeared before Council to introduce a preliminary economic revitalization area around Fortville, for a 10 year tax abatement. Mike Trada, President of Abrasive Products addressed Council with information about his Company. The Company is moving back to Fortville from Indianapolis and is purchasing land outside of Fortville. The Company is requesting a 10 year tax abatement for real property only.

Councilwoman Richardson made a motion to approve a preliminary Resolution to create an economic revitalization area for purposes of granting a 10 year tax abatement for Abrasive Products, seconded by Councilman Shelby. Vote 4-0

Councilman Shelby asked Dennis Maloy, Director of Economic Development regarding the money being currently spent on the Mt. Comfort project. Councilman Shelby wants to see the spending portion of the Project.

**In the Matter of Buck Creek Fire Department)**

Dave Sutherlin, Chief Buck Creek Fire Department appeared before Council to explain their spending in their budget request. This was for informational purposes to Council.

**In the Matter of 2011 Budget)**

Councilman Shelby advised that in the budget meeting the projected spending for Cumulative Capital Development is in balance with the revenue after the changes were made.

Councilman Shelby proposed that the Sheriff budget has a shortfall in the retirement line item of \$150,000 short of actuaries for 2011. The proposal is for Council to take \$50,000 from Food and Beverage to fund the shortfall, then take \$100,000 from Sheriff budget line item deputies and/or combination of something recommended from the Sheriff. The Auditor will send a letter to acting Sheriff.

**In the Matter of the CEDIT tax rate change for Library)**

Councilman Shelby made a motion to introduce the CEDIT tax Ordinance No. 2010-d for the Hancock County Library rate to be changed from .10% to .15%.

Councilman Shelby made a motion that the CEDIT Tax Ordinance No. 2010- d for the Hancock County Library rate to be changed from .10% to .15%. and the Ordinance be adopted the same day as introduction, seconded by Councilman Kirkwood. Vote 4-0

Councilman Shelby made a motion to adopt the CEDIT tax Ordinance No. 2010-d for the Hancock County Public Library rate to be changed from .10% to .15% . Seconded by Councilman Kirkwood Vote 4-0 Ordinance passed.

**In the Matter of NASA grant)**

Dean Dobbins, Prosecutor appeared to advise Council that they have applied for the NASA grant again this year.

Council request from the Commissioner Brad Armstrong a report on all vehicles in the County along with who is allowed to drive.

Councilman Shelby for the record that the Board of Finance sent a letter to all departments requesting a list of *all* funds in their control and *all* collected fees. All offices did respond and the Auditor has a list on file in the office signed by each department head.

Meeting adjourned.

Approved this \_\_\_\_ day November 2010

Aye

Nay

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Attest: \_\_\_\_\_  
Robin D. Lowder  
Auditor